



OFFICE OF THE DIRECTOR

UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, DC 20415-1000

AUG - 4 2003

The Honorable Lane Evans
House of Representatives
Washington, D.C. 20515

Dear Representative Evans:

President George W. Bush appreciates your taking the time to express your concerns about veterans' and service-connected disabled veterans' retention rights during competitive sourcing initiatives. The White House sent your letter to the U.S. Office of Personnel Management (OPM) and asked me to respond.

We share your deep concern in protecting our veterans' rights whenever the Federal workforce requires adjusting. Please be assured that the reduction in force (RIF) protections of title 5, United States Code, as implemented by OPM in title 5, Code of Federal Regulations, part 351, apply to veterans' preference eligibles, including service-connected disabled veterans, affected by competitive sourcing decisions. The protections apply when agencies covered by title 5 must reorganize to implement the sourcing decision, whether the work is retained in-house or contracted with the private sector. Reorganization is a reason for invoking OPM's RIF regulations, which prescribe the procedures used before a covered agency may involuntarily separate or downgrade an employee.

In addition, permanent Federal employees, including veterans, impacted by competitive sourcing decisions have a right of first refusal if the work is outsourced to the private sector. A contractor must offer qualified former Federal employees positions created as a result of the contract award before filling the positions from alternate sources. Accepting a job with a contractor does not generally affect the benefits to which a separated employee is otherwise entitled.

I am pleased to tell you that recently published OPM regulations to implement new and revised human resources authorities enacted under the Homeland Security Act, Public Law 107-296, may also help lessen the number of involuntary separations. These authorities include voluntary separation incentive payments (also known as buyouts) and expanded voluntary early retirement authority. Agencies may request these authorities from OPM to lessen the impact of, or avoid altogether the need to conduct, reductions in force during agency reorganizations.

I appreciate the opportunity to respond to your concerns about our nation's veterans. Please have your staff contact Ms. Pam Galemore on 202-606-2414 or email at pjgalemo@opm.gov if we can provide additional information on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Kay Coles James".

Kay Coles James
Director